Secta. II-37—100,000—21-5-48.

Finance Development (1954) Department.

Ms SERIES.

G.O. No. 467

Dated 14-5-49

[Despatch Abstract.]

INTENSIVE KHADI SCHEME - Elimination of private dealers in Khadi - Starred Question No.230 put by Sri N.Narayana Rao M.L.C. Answered - Papers Recorded.

Trade in Khadi.

*230 Q.- SRI MOTHEY NARAYANA RAO : Will the Hon. the Minister for Firka Development be pleased to state -

(a) whether it is a fact that the Government propos to prohibit trade in khadi by private merchants and, if so, the date from which it is to be enforced;

(b) whether the Government have any alternative scheme for the production of pure khadi;

(c) whether the All-India Spinners' Association have been consulted in the matter; and

(d) if so, whether a copy of their opinion will be placed on the table of the House ?

THE HON. DR. S. GURUBATHAM : - " (a) The Government have decided to allow, by a system of licensing, a small number of private producers and dealers to function, subject to certain restrictions for the purpose of ensuring the genuiness of the khadi produced and the payment of a living wage to the artisans concerned. In order to avoid unhealthy competition and to facilitate inspection and scrutiny, the activities of each producer of dealer will be restircted to a specified locality. The Madras Khadi (Control) Order, 1947, is being revised to give effect to these decisions soon. A copy of the Press Note No.266, dated 30th November 1948, issued in this connexion is placed on the table of the House.

"(b) In view of the answer given to (a) above, this question does not ~~arise~~.arise.

"(c) Yes.

"(d) The Secretaries of the All-India Spinners' Association Andhra, Tamilnad and Kerala, were consulted in the matter at a conference and their opinions have not been obtained in writing

SRI M.NARAYANA RAO: - " Have Government any alternative scheme for the production of khadi ?"

THE HON. DR. S. GURUBATHAM: - " Government have got their intensive khadi scheme in seven firkas."

DR. V.K.JOHN: - " Do the Government make a distinction between pure khadi and spurious khadi ?"

THE HON. DR. S. ~~KKKKKK~~ GURUBATHAM :- "By producing spurious khadi, people are selling it as pure khadi. For producing spurious khadi, they are using mill yarn, which is very much cheaper. Production of spurious khadi is cheaper, and therefore they are making great profits."

DR.V.K.JOHN:- " Is it unhealthy to wear spurious khadi ?"

THE HON. DR. S. GURUBATHAM : - " That question does not refer to this question."

Cont.

DR. V.K.JOHN: - "What is the amount spent by Government in subsidizing pure khadi as distinct from spurious khadi ?"

THE HON. DR. S. GURUBATHAM:- " We do not subsixise a separate question may be put."

SRI R. SURYANARAYANA RAO : - " May I know who is the licensing authority in respect of private manufacturers of khadi ?"

THE HON. DR. S. GURUBATHAM:- " The licensing authority will be the Provincial Firka Development Officer and the two Regional Firka Development Officers. Government are considering the appointment of somebody from the All-India Spinners' Association also as a licensing authority."

SRI M. NARAYANA RAO : - " Does the restriction affect the production of khadi. May I ask, Sir, whether by the restirction, the Government do not want private production of khadi ?"

THE HON.DR.S.GURUBATHAM:-"Producers of khadi represented to Government, and we invited them all to a conference where we discussed this question."

SRI R. SURYANARAYANA RAO : - " May I know whether the principle of nationalization is going to be applied to khadi production also ?"

THE HON. DR. S. GURUBATHAM:- " No, Sir."

SRI N.VENKATACHALAMAJI : - " Sir, on the strength of the All-India Spinners' Association, this Government have intro-duced this ~~scheme~~ scheme in this Province. Are the Government aware that other Governments have also introduced this Scheme ?

THE HON. DR. S. GURUBATHAM:- " This Government do not know what other Governments have done."

SRI R. SURYANARAYANA RAO ; - " Cannot the Government take some steps to see that production of pure khadi is done by private merchants by exercising some ~~spu~~ supervision instead of prohibiting their manufacture of khadi ?"

THE HON. DR. S. GURUBATHAM : - " We are not prohibiting. We have asked them to take out licences. There are conditions on the grant of licence, and they have to abide by them."

SRI M. NARAYANA RAO: - " Will the people thrown out of employment be given handloom cloth and mill cloth licences

THE HON. DR. S.GURUBATHAM:- "There is no need for that."

K.T.M.AHMED IBRAHIM SAHIB BAHADUR:- " Is the All-India Spinners' Association authorised to issue licence ?"

THE HON. DR. S. GURUBATHAM :- " The Government have accepted the opinion of the All-India Spinners' Association."

K.T.M.AHMED IBRAHIM SAHIB BAHADUR:- " While they are empowered to issue a licence, should they not be held responsible ? Are Government going to give subsidies to them ?"

Cont.

THE HON.DR.S.GURUBATHAM:- " We are not allowing them to issue licences. They will be consulted for issuing licences."

SRI C. VEERABHADRA RAO: - " Have the Government receive any request from the Chicacole area - a fine centre in Vizagapatnam district - to put an end to restrictions in that area ? "

THE HON SR. S. GURUBATHAM: -"Chicacole producers also present at the conference and they did not ask for this."

SRI R. SURYANARAYANA RAO: " May I know whether the Government are aware that Chicacole khadi is the most superior khadi produced in all the centres of the All-India Spinners' Assocation ?"

THE HON.DR. S. GURUBATHAM:- " That is true, Sir,."

SRI N.VENKATACHALAMAJI :- "Has the President of the Assocation instructed only this Government to experiment this scheme in this Province ?"

THE HON. DR. S. GURUBATHAM: - " That is not correct, Sir."

SRI N.VENKATACHALAMAJI: - " May I know whether Government think that all the khadi weavers are genuine ?"

(No answer.)

DR. V.K.JOHN: - " The question has not been answered the question is whether khadi weavers are genuine at heart."

MR. PRESIDENT ; - " May I know the question?"

SRI N. VENKATACHALAMAJI :- " Do the Government thi that all the khadi wearers are genuine at heart ?"

MR. PRESIDENT : - " I do not know which Minister has to answer the question."

DR. V.K.JOHN:- "Is the cost of khadi comparatively higher than the cost of handloom cloth or mill cloth ?"

MR. PRESIDENT:- "Why this question, Dr. John ? the hon. Member knows and everybody knows about it."

DR. V.K.JOHN: - " My point is why Government should spend any money or issue any licences for obtaining khadi when other cloth can be got cheaper."

MR.PRESIDENT:- " That does not airse out of the question,"

DR. V.K.JOHN:- " May I know whether the Government have any alternative scheme for the production of pure khadi That was a question which I previously gave notice of. My supplementary question now is whether the cost of production of khadi is comparatively higher than the production of hand loom cloth or mill cloth and if so, by how much."

THE HON.DR.S.GURUBATHAM:- "It is higher, but I cannot say by how much."

Cont.

SRI R. SURYANARAYANA RAO:- " May I know whether the Government are aware that the khadi produced by private merchants is cheaper than the khadi produced at the centres of the All-India Spinners' Association ?"

THE HON. DR. S. GURUBATHAM:- " No, It is not cheaper."

SRI M.NARAYANA RAO : - " Is it the police of the Government to eliminate all mill cloth in course of time and make the country self-sufficient in Khadi ?"

The HON.DR.S.GURUBATHAM:- "The Government will consider that question."

Dr. V. K. JOHN:- "May I know what is the quantity of khadi produced in this Province last year ?"

MR. PRESIDENT :- " A separate question may be put."

Dr. V.K.John: - " Is it correct to say that the major portion of the khadi produced is unsaleable and is left unsold ?"

THE HON.DR.S.GURUBATHAM:- "It is saleable and it is not left unsold."

DR. V.K.JOHN : - "Is there no quantity left unsold ?"

THE HON.DR.S.GURUBATHAM:- " There must be some quantity ."

SRI R. SURYANARAYANA RAO : - "If the khadi is not left unsold, why should Government issue an order that in their departments, khadi should be preferred to other cloth ?"

THEHON.DR. S. GURUBATHAM: - "That is the policy of the Government. Government want to encourag khadi."

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Firaka Development.

Please see the official report of Legislative council Question and answers on page 5-8 ante -

As regards A on page 8 ante it may be mentioned that the proposal is to stop distribution of mill cloth only in four out of the seven intensive khadi centres, namely Yenagondapalam, Kolamatla, Vellkoil and Avanashi and not throug out the Province. This step is proposed to be taken by refusing licences to private dealers of mill cloth in those areas. This question is still under consideration of the Government separately. No action is called for here. The papers may be recorded as G.O.Ms.for future reference if any. For orders.

Sd xx xx xx xx xx xx
Secretary to Government,
13-5-49.

G.O.Ms.No.467, dated 14-5-49

Intensive Khadi Scheme - Elimination of private dealers in Khadi - Starred Question 230 put by Sri M.Narayana Rao, M.L.C., Answered - Papers Recorded.

/True copy/

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Madras Record Office.

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